

**MINUTES
EAGAR TOWN COUNCIL
REGULAR MEETING
22 W. 2nd St., Eagar, AZ
November 18, 2014 - 7:00 P.M.**

Mayor Bryce Hamblin called the Regular Council Meeting to order and welcomed those present. Mayor Hamblin said to let the record show that all Councilmembers except for Vice-Mayor James Nelson, Jr. (due to work) are present. Mayor Hamblin led the Pledge of Allegiance and Winslow McNeill offered the invocation.

COUNCIL PRESENT: Bryce Hamblin, Mayor
Byron Smith
Steve Erhart
Winslow McNeill
John O. Phelps
Allen Browning

COUNCIL ABSENT: James Nelson, Jr., Vice Mayor

STAFF PRESENT: Tami Ryall, Town Manager
Bruce Ray, Community Development/Public Works Director
Eva Wilson, Town Clerk
Katie Brady, Finance Manager
Frank Adams, Fire Chief
Mike Sweetser, Police Sergeant
Doug Brown, Town Attorney

ITEM #5: SUMMARY OF CURRENT EVENTS

A. MAYOR

None.

B. COUNCIL

None.

C. STAFF

Town Manager Tami Ryall reminded those Councilmembers attending the Mexican Consulate Visit and Luncheon on November 19, 2014 at noon at the Eagar Town Hall to wear their name tags. Ms. Ryall announced the date set for the Town of Eagar new councilmember swearing in on December 2, 2014 at the Regular Council meeting and asked the councilmembers to invite their families. Ms. Ryall also announced the date set for the Employee/Volunteer Christmas Luncheon/Potluck on December 10, 2014 at noon at the Eagar Town Hall.

Finance Manager Katie Brady reported that the Town audit has been completed.

ITEM #6: OPEN CALL TO THE PUBLIC

Chip Taylor represents a group of concerned citizen that are worried the Town of Eagar does not have the ability to provide water should there be an extended eventful emergency of any kind. He asked that the Town be prepared to provide water to its citizens as the matters of this world are in upheaval and that a major event is imminent.

ITEM #7: PRESENTATIONS

A. UPDATE ON FOREST-WIDE PROJECTS TO INCLUDE: FOUR FOREST RESTORATION, FOREST PLAN REVISION, THE NEW MEXICO MEADOW JUMPING MOUSE AND OTHER TOPICS

Ms. Ryall reported that she received a phone call earlier from the Forest Service reporting that Supervisor Zornes is being transferred and was called out of town. They would like to reschedule this update for a future meeting.

B. UPDATE ON BOYS AND GIRLS CLUB OF ROUND VALLEY

Program Director Kim Hamblin reported that the Boys and Girls Club had 250 in January 2014, 375 in July 2014, and currently have 425. This number will be going up by approximately 200 as the Boys and Girls Club will be administering the tumbling and Little League Basketball programs. The Boys and Girls Club participated in community service projects this past summer and is looking for other projects. They are currently holding child choir practice for "Reason for the Season". The Boys and Girls Club is always looking for mentors for their mentor program and she invites the Council to participate in this program. She thanks the Town of Eagar for their support.

ITEM #8: CONSENT AGENDA

A. APPROVAL OF MINUTES OF EAGAR TOWN COUNCIL MEETING HELD OCTOBER 2014

B. APPROVAL OF SEPTEMBER 2014 NATIONAL BANK OF ARIZONA TRANSMITTALS, CHECKS WRITTEN, PAYROLL DIRECT DEPOSIT VOUCHERS, AND CREDIT CARD PURCHASES

Councilor Winslow McNeill moved to approve the Consent Agenda. Councilor Steve Erhart seconded; all were in favor, motion carried unanimously. 6-0

ITEM #9: UNFINISHED BUSINESS

A. DISCUSSION AND CONSIDERATION OF SEPTEMBER 2014 FINANCIAL REPORT AND SALES TAX REPORT

Finance Manager Katie Brady reported that the financial situation is sound and revenues and expenditures are in line. September sales tax is 17% higher than the previous year and there has not been a negative month this fiscal year as compared to last. For the year, the city sales tax increased 6%, State Shared Revenues increased 5.5%, and HURF increased 10%. Departmental budgets are doing well with some budgets showing increased expenditures due to paving projects and repairs to wells, however, these expenses are expected to come in line as the year progresses.

Councilor Steve Erhart asked if September sales tax represents the month of August and Ms. Brady confirmed and in all probability that is the sales tax from a business's July sales.

Councilor Winslow McNeill asked for an update on bond payments. Ms. Brady reported that January interest payments are coming up and all payments are already out of the departmental budgets. They are paid; the money was set at the bank July 1st and the payments are drawn out on August 1st so the bulk of the bonds are already expressed in the financial statements.

B. DISCUSSION, CONSIDERATION AND SECOND READING OF ORDINANCE 2014-03 TO APPROVE THE ANNEXATION OF 104-25-044 AND 044A (WYE DRIVE) INTO THE TOWN OF EAGAR TOWN LIMITS WHICH ARE CONTIGUOUS TO THE EXISTING TOWN LIMITS OF THE TOWN OF EAGAR

Town Manager Tami Ryall stated that Town Counsel Doug Brown has declared a conflict of interest in this item as he is one of the property owners. Outside counsel has provided consultation and reviewed this item.

Public Works/Community Development Director Bruce Ray reported that this is the second reading for this item and there has been one small change since last viewing of the ordinance; Counsel had requested that the emergency clause be removed. With the removal of the emergency clause, if approved, the ordinance will become effective in 30 days.

Councilor Steve Erhart moved to approve Ordinance 2014-03 to approve the annexation of 104-25-044 and 044A (Wye Drive) into the Town of Eagar town limits which are contiguous with the existing town limits to the Town of Eagar. Councilor Allen Browning seconded; all were in favor, motion carried unanimously. 6-0

ITEM #10: NEW BUSINESS

A. CONSIDERATION OF RESOLUTION 2014-15 DECLARING AND ADOPTING THE RESULTS OF THE GENERAL ELECTION HELD ON NOVEMBER 4, 2014 - PROPOSITION 402 EAGAR GENERAL PLAN

Town Clerk Eva Wilson reported that the General Election, of which the Town of Eagar only had the one Proposition for voters to consider, resulted in 1,294 ballots cast with 939 “yes” votes and 355 “no” votes, allowing the Proposition 402 to pass and is effective immediately upon adoption of this Resolution.

Councilor Winslow McNeill moved to approve Resolution 2014-15 declaring and adopting the results of the General Election held on November 4, 2014 – Proposition 402 Eagar General Plan. Councilor Allen Browning seconded; all were in favor, motion carried unanimously. 6-0

B. DISCUSSION AND CONSIDERATION OF RESOLUTION 2014-16 AUTHORIZING THE TOWN OF EAGAR TO ENTER INTO A MUTUAL AID COMPACT WITH THE STATE OF ARIZONA

Fire Chief Frank Adams stated that this is a mutual aid agreement between the Town of Eagar and the State of Arizona and other organizations that are participants in the compact. This compact is to cover those agencies that respond to those large scale incidences covering manpower, equipment, and reimbursement details.

Mayor Bryce Hamblin asked if the liability limits listed in the agreement meet or exceed the Town’s requirements. Ms. Ryall stated that the Town’s insurance does cover the amounts listed in the agreement.

Councilor John Phelps asked how this agreement benefits that Town and what may be some of the pitfalls. Chief Adams stated that if the Town were called to help other agencies with a disaster, this agreement spells out the details of the reimbursements and who is in charge during multi-agency response. Councilor Phelps asked if the reimbursements work on the same level as wild land fire response. Chief Adams replied that unlike wild land fire response, the agreement is between the two parties, the requesting agency and the responding agency. The Town of Eagar would be contacted and would decide whether or not to send assistance. It does work a bit differently than the fire responses and is detailed in the agreement.

Councilor Winslow McNeill moved to approve Resolution 2014-16 authorizing the Town of Eagar to enter into a Mutual Aid Compact with the State of Arizona. Councilor Allen Browning seconded; all were in favor, motion carried unanimously. 6-0

C. DISCUSSION AND CONSIDERATION OF RESOLUTION 2014-17 AMENDING THE TOWN OF EAGAR FEE SCHEDULE PROPOSING REDUCTION OF MEETING ROOM RENTS AND LIABILITY INSURANCE REQUIREMENTS

Town Manager Ryall stated that the Town has rooms that are available for rent and the information packet shows a tier of Class I, and II users (governmental, educational and non-profits) that do not pay a fee, as well as, Class III users (residents/organizations that do not charge a fee for their event) that do not pay a fee. In total, after a cumbersome process, the Town had collected a total of \$169 last year. Being a community facility, the facilities should be available to community members to use. Ms. Ryall proposes that the fee schedule be changed to charge for-profit and commercial entities, or entities that charge for their event, and continue to not charge for the Class I, II, and III that do not charge for their events. The second portion of this proposal addresses the requirement of a \$1,000,000 insurance policy naming the Town of Eagar as additional insured. This policy may be excessive for those events that may merely consist of a PowerPoint presentation or other low-risk activity. Ms. Ryall proposes that the insurance requirement apply to events that serve food or includes physical activities or demonstrations and that the Town retain flexibility with a catchall statement that the Town reserves the right to require insurance.

Councilor Allen Browning moved to approve Resolution 2014-17 amending the Town of Eagar Fee Schedule proposing reduction of meeting room rents and liability insurance requirements. Councilor Winslow McNeill seconded; all were in favor, motion carried unanimously. 6-0

D. DISCUSSION AND CONSIDERATION TO APPROVE THE PURCHASE OF A POLICE PATROL VEHICLE NOT TO EXCEED \$28,000

Sergeant Mike Sweetser reported that the police department has budgeted \$38,956 for a patrol vehicle and has researched new and used vehicles. After receiving quotes, Sergeant Sweetser is recommending the Town purchase a new 2015 Ford Police Interceptor for \$27,830. The dealership, Peoria Ford is on state contract.

Councilor McNeill asked about the servicing and warranty on the vehicle. Sergeant Sweetser stated that service and tires will be the Town's responsibility and warranty items and major repairs will be completed at the Ford dealership.

Councilor John Phelps moved to approve the purchase of a police patrol vehicle not to exceed \$28,000. Councilor Allen Browning seconded; all were in favor, motion carried unanimously. 6-0

E. REVIEW OF COUNCIL APPOINTMENTS TO VARIOUS BOARDS AND COMMITTEES WITHIN AND OUTSIDE OF THE TOWN OF EAGAR

Mayor Hamblin asked Councilors to review the list of the current appointments and to let him know (call or e-mail him) of any committees that Councilors are serving on and would like to be removed or other committees they would like to serve on. The board and committee assignments will be made official at the December 2nd regular meeting.

Councilor McNeill stated that normally a member of the Town serves on the Wellness Committee and Bruce Ray has attended in the past.

F. REPORT OF PROPOSED FIRE DEPARTMENT COST SAVINGS MEASURES

Ms. Ryall advised Council that the following two reports are follow-up from the Council retreat, whereas, Council directed staff to research, evaluate or put in place various cost saving measures.

Chief Adams summarized the cost saving measures the fire department has undertaken while providing the most effective and efficient fire protection for the community.

- Staffing changes – the department staff decreased from five full-time employees to the current three full-time employees. The seven day operation was reduced to four days of operations. Savings are realized not only in manpower but also reduction in energy utilization with the fire department facility unmanned three days a week.
- In-house fire academies – in the past the fire department worked in conjunction with Northland Pioneer College (NPC) to provide personnel training. This past year the cost per person was prohibitive so the fire department provided the same training in-house. Surrounding fire agencies also shared the cost of training firefighters through this in-house process.
- Performing maintenance and cleaning – the fire department personnel supplies its own remodeling, construction, maintenance, and cleaning for the fire department facilities.
- Pursuing grants – the fire department is constantly pursuing grants to supplement the fire department budget and provide savings to the Town. In the past the fire department received an Energy Savings Grant to allow installation of insulation to the fire department, retrofit light fixtures with efficient fixtures, and eliminate a propane heater thus allowing a cost savings in utilities usage. Last year the fire department secured two out of three grants applied for providing traffic safety vests, and wild land fire personal protective equipment. Chief Adams has applied for a grant for a fire truck but was unsuccessful. The department will continue to pursue grants.
- Partnering with the non-profit – the fire department has established a non-profit member organization to allow fundraising (pancake breakfasts, raffles) that allows the department to offset training costs and provide equipment for the fire department.

The fire department plans to continue to work on its partnerships with other fire agencies to share training costs and looks forward to continuing the non-profit organization. Through these steps, the fire department hopes to continue to save the Town money while at the same time providing qualified, well-trained firefighters and equipment to best serve the community.

G. REPORT OF TOWN'S ENERGY ASSESSMENT

Mr. Ray reported that since 2012 the Town has undergone several upgrades with a major project replacing the inefficient pellet boiler with an efficient propane on-demand boiler through the blessing of a lightning strike that paid for the majority of that cost. The Town placed the two pellet stoves that were in the Blue Building (County Building) and placed

them in the Alpine Building at public works, replacing an inefficient oil-burning stove that was traded in to discount repairs to the oil burner in the shop.

In the future, the Town will research and evaluate replacement of street lights with high-efficiency induction and/or LED lights. The Town currently has one LED replacement to be placed at 2nd Avenue and Main Street, and the next time a light needs replaced an induction will be placed for comparison. Both will provide a cost savings compared to what is currently being used.

Councilor Phelps inquired about the solar street lights Pinetop-Lakeside's downtown uses; if we had received any input on those. Mr. Ray stated we could look into those but foresees them being very expensive and has qualms about the panels withstanding the wind.

There are plans to evaluate the cost/savings of installing solar panels on the town hall roof. There are plans to continue seeking grants that will allow retrofit of current low-efficiency utility drawing elements.

In the Town's partnership in Eastern Arizona Power Preference Association (EAPPA) the Town stands to recoup approximately \$30,000 in back charges plus great reductions in utility expenses going forward.

Ms. Brady stated that the contract is in the process of a settlement and currently all of the meters are under consideration for approval in the program. The Town continues to work in that direction and the Town is finally starting to see cost savings and returns in the program after ten years of participation. Ms. Ryall added that a consultant has been hired to evaluate the program and determine the contradictions and participating members' standing. There has been quite a bit of progress and it has been determined that the electric rate is very good.

Mayor Hamblin was to believe that the Town's reimbursement was more in the range of \$70,000 and asked if the \$30,000 is what has been earmarked for reimbursement to date. Ms. Ryall replied the consultant's examination is the first phase including a summary document to provide a written historical record. A report expected sometime next month will summarize where the Association is right now. The consultant is going through all the rate calculations for the current bills. The next phase will be going back and deconstructing what is owed to whom for what on the credits.

Councilor Erhart stated that Reserve, NM is no longer a member of the EAPPA and had a refund coming and how will that be determined. Again Ms. Ryall stated the examination is not completed and she has heard several arguments on what to do with the Reserve payment and how to split it among the members that remain in the Association. She is sure that will be addressed in a future policy discussion. Councilor Erhart added that Reserve was delinquent on a significant portion of its Association fees. Ms. Brady confirmed this and stated that the other members ended up covering Reserve. Reserve is a very minimal portion of the whole; the processing of the member's pre-payments and the lag time allowed members to pay Reserve's allotted portion. Reserve stopped responding to the Association she and doesn't

believe they have responded up to today. Ms. Ryall stated that all those totals have been calculated and is awaiting a resolution to be discussed and decided.

Mr. Ray introduced an Energy Conservation Policy suggesting things staff can do to offset energy costs wherever they can. In conclusion, the Town will evaluate the contracting with an Energy Service Company that can provide input on developing and arrangement of financing for energy efficient projects.

ITEM #11: SIGNING OF DOCUMENTS

Necessary signatures were obtained for the Minutes of October 2014; the September Financial page; Ordinance 2014-03; Resolutions 2014-15, 2014-16 and 2014-17; and the Mutual Aid Compact with the State of Arizona.

ITEM #12: ADJOURNMENT

Councilor Steve Erhart moved to adjourn the meeting (at 7:47 p.m.) Councilor Winslow McNeill seconded; all were in favor, motion carried unanimously. 6-0

Attest: _____

Mayor: _____

Vice-Mayor: _____

Council: _____

CERTIFICATION OF COUNCIL MINUTES

I hereby certify that the foregoing minutes is a true and correct copy of the minutes of the Regular Council Meeting of the Town of Eagar, Arizona held on November 18, 2014. I further certify that the meeting was duly called and held and that a quorum was present.

Eva Wilson Town Clerk